

I remain concerned that S. 468 may create expectations that will not be fulfilled, and tarnish the success of the efforts we have already begun. My Administration will, of course, continue its long-standing efforts to streamline, simplify, and consolidate application and reporting requirements.

WILLIAM J. CLINTON

The White House,

November 20, 1999.

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Remarks at a Dinner for the Conference on Progressive Governance for the 21st Century in Florence, Italy

November 20, 1999

Thank you very much. Professor Dorsen, Dean Sexton, President Oliva, to my fellow leaders, and especially to our hosts, Prime Minister and Mrs. D'Alema. Let me say a special word of appreciation to my good friend Romano Prodi for the very good outline he has given us of the challenges facing not only the nations of Europe but the United States and all other economies more or less positioned as we are.

The hour is late, and what I think I would like to do is to briefly comment on why we're here and what exactly are the elements of progressive governance in the 21st century—what do we have consensus on, and what are the outstanding challenges facing us?—without going into any detail, in the hopes that that's what will be discussed tomorrow.

First of all, I think it's worth noting that it's entirely fitting that we're meeting here at this beautiful villa in this great city where the Italian Renaissance saw its greatest flowering, because we know instinctively that we now have a chance at the turn of the millennium to shape another extraordinary period of human progress and creativity.

There are many parallels to the Renaissance era in this time. For at the dawn of the Renaissance, Italy was a place of great economic ferment and change, rapidly expanding trade, new forms of banking and finance, new technologies and new wealth, more education, vibrant culture, broader horizons. Today, we have the Internet, the global economy, exploding diversity within and across national lines, the simultaneous emergence of global cultural movements, breathtaking scientific advances in everything

from the human genome to discoveries about black holes in the universe.

We have, in addition, a much greater opportunity to spread the benefits of this renaissance more broadly than it could have been spread 500 years ago. But there are also profound problems among and within nations. Making the most of our possibilities, giving all people a chance to seize them, minimizing the dangers to our dreams, requires us to go beyond the competing models of industrial age politics. That's why we're here. We think ideas matter. We think it's a great challenge to marry our conceptions of social justice and equal opportunity with our commitment to globalization. We think we will have to find what has often been called a Third Way, a way that requires governments to empower people with tools and conditions necessary for individuals, families, communities, and nations to make the most of their human potential.

In the United States, we have proceeded for the last 7 years under a rubric of opportunity for all, responsibility from all, and a community of all Americans. We have also recognized something that I think is implicit in the whole concept of the European Union, which is that it is no longer possible, easily, to divide domestic from global political concerns. There is no longer a clear dividing line between foreign and domestic policy. And, therefore, it is important that every nation and that all like-minded people have a vision of the kind of world we're trying to build in the 21st century and what it will take to build that world.

I think there is an emerging consensus which you heard in Romano Prodi's remarks about

what works and what challenges remain. There is also a clearer consensus that no one has all the answers.

So let me briefly give you an outline of what I hope we will discuss tomorrow and in the months and years ahead. First, I think there is an economic consensus that market economics, fiscal discipline, expanded trade, and investment in people and emerging technologies is good economics. In the United States, it has given us an unparalleled economic expansion, the lowest unemployment rate in 30 years, the lowest inflation rate in 30 years, the lowest welfare rolls in 30 years, the lowest unemployment among our women in the work force in 46 years, the lowest poverty rates in 20 years, and the first back-to-back surpluses in our budget in over 40 years. But there are problems. I will get to them.

On social questions, I think there is an emerging consensus that we should favor equal opportunity, inclusion of all citizens in our community, and an insistence upon personal responsibility. In addition to low welfare rolls through welfare reform in the United States, it has given us the lowest crime rate in 25 years and unprecedented opportunities for women, racial minorities, and gays to serve in public life and to be a part of public discourse.

We have also worked particularly hard to reconcile the competing religious concerns of our increasing diverse communities of faith in the United States. The challenges to this economic and social policy are, it seems to me, as follows, and this is where we have to close the gap.

Number one—what Mr. Prodi talked about quite a lot—the aging of all of our societies. In the next 30 years, the number of people over 65 in our country will double. I hope to be one of them. *[Laughter]* Now this is a high-class problem. In all the advanced economies, anyone who lives to be 65 today has a life expectancy of 82. Within a decade, the discoveries in the human genome project will lead every young mother—including Mrs. Blair—*[laughter]*—within a matter of years, young mothers will go home from the hospital with their babies with a little genomic map. And it will tell these mothers and the fathers of the children what kinds of things they can do to maximize the health, the welfare, and the life expectancy of their children. Many of our best experts believe that within a decade, children born in advanced societies will have a life expectancy of 100 years.

Now, this is a terrific thing; but in the short run, it means that within 30 years, more or less, all of our societies will have only two people working for every one person retired—challenge number one.

Challenge number two, in spite of unprecedented economic prosperity in many places, there are still people and places that have been left behind. I'll give you the most stark example.

In America, we have the lowest unemployment rate in 30 years, 4.1 percent. On the Pine Ridge Indian Reservation in South Dakota, the home of the Lakota Sioux, the unemployment rate is 73 percent. And in many of our inner cities, in many of our rural areas, this recovery simply has not reached because of the lack of educational level of the people or because of the digital divide or because of the absence of a conducive investment environment. But every advanced society that seeks social justice and equal opportunity cannot simply rest on economic success in the absence of giving all people the chance to succeed.

Number three, there has, by and large, in all of our societies with heavy reliance on the market, been an increase in income inequality. I'm happy to say it is moderating in the United States. In countries that have chosen to make sure that did not happen, very often there have been quite high levels of unemployment, which people also find unacceptable and which is another form of social inequality.

The next problem, with more and more people in the work force, both women and men, and more and more children being raised in homes that are either single-parent homes or two-parent homes where both the parents work, it is absolutely imperative that we strike the right balance between work and family. In this case, I think virtually every European country has done a better job than the United States in providing adequate family leave policies, adequate child care policies, adequate supports.

But let me just put it in this way. If most parents are going to work, either because they have to or they want to, then every society must strive for the proper balance, because if you have to choose between succeeding at home and succeeding at work, then you are defeated before you begin. The most important job of any society is raising children; it dwarfs in significance any other work. *[Applause]* Yes, you may clap for that. I appreciate that. It does.

So if people at work are worried about the children at home or in child care, they're not going to be so productive at work. That means that either the economy or the social fabric will suffer. It is a profoundly important issue that will only grow more significant in the years ahead.

The next big issue, I believe, is the balancing of economic growth and environmental protection. And because of the problem of global warming, we will have to prove not only that we can maintain the quality of the environment but that we can actually improve it while we grow the economy. I want to say a little more about that later, but it's a very important issue.

Finally, I would like to put another issue on the table. There is a political problem with achieving this vision, and I'll give you just three examples involving all of us here. In order to pursue this economic and social vision, if you start from a position of economic difficulty and you believe that fiscal discipline is a part of your proposal that is necessary, then you're going to have upfront pain for long-term gain. And the question is, will we be able to develop a progressive governance that will be able to sustain enough support from the people to get to the gaining part? Because everybody likes to talk about sacrifice, but no one likes to experience it. Everyone likes to talk about change, but we always want someone else to go first. And I have seen it. In our country, I was elected in 1992, and in 1993 I implemented my economic program, and in 1994 the public had not felt the benefits of it, and that's one of the big reasons we got a Congress of the other party.

Chancellor Schroeder is facing the same sort of challenges. President Cardoso is facing the same sort of challenges. So it's all very well for us to come here when—as in my case—that things are rocking along well in our country and the public is supporting us. But I think it's important that we acknowledge, if we believe in these ideas they will often have to be pursued when they are controversial in the knowledge that these difficult changes have to be made in order to have results over the long term.

And so one of the things I hope we'll be able to frankly discuss is how we can develop and sustain political support for like-minded people in all countries who are determined to pursue this approach that we all know works and has to be pursued in order to create the

kind of future we want for our children and grandchildren.

Now let me just say a word about global politics. I believe there's an emerging consensus that it's good for the world to promote peace and prosperity and freedom and security through expanded trade; through debt relief for the poorest nations; through policies that advance human rights and democracies; through policies in the developing countries that expand the rights and opportunities of women and their daughters; through policies that stand against terrorism, against the proliferation of weapons of mass destruction, and against the spread of ethnic, racial, and religious hatred.

What are the specific challenges to this consensus? I'll just mention a few. How do you place a human face on the global economy? We're going to have a WTO ministerial in Washington State in a few days. There will be 10 times as many people demonstrating outside the hall as there will be inside. And I understand more than half of them may not even be from the United States.

I personally think this is a good thing. Why? Because the truth is that ordinary people all over the world are not so sure about the globalization of the economy. They're not so sure they're going to benefit from trade. They want to see if there can be a human face on the global economy, if we can raise labor standards for ordinary people, if we can continue to improve the quality of life, including the quality of the environment. And if we believe—we, who say we believe in social justice and the market economy, really want to push it, we have to prove that the globalization of the economy can really work for real people. And it's a huge challenge.

Number two, we have to deal with the fact that about half the world still lives on less than \$2 a day, so for most of them, most of this discussion tonight is entirely academic, which is why debt relief is so important. We have to deal with the fact that while we talk about having smaller, more entrepreneurial government, the truth is that in a lot of poor countries, they don't have any government at all with any real, fundamental capacity to do the things that have to be done. Even in a lot of more developed countries, they have found themselves blindsided by the financial crisis that struck in 1997.

So we have to acknowledge while we, who say we are developing a Third Way—and in our case, we've been able to do it with the smallest Federal Government in 37 years—we have to acknowledge the fact that some countries need more government. They need capacity. They need the ability to battle disease and run financial systems and solve problems, and that it is fanciful to talk about a lot of this until you can basically deal with malaria, deal with AIDS.

You look at Africa, for example, AIDS consuming many African countries. But Uganda has had the biggest drop in the AIDS rates of any country in the world because of the capacity of the Government to deal with the problem. And I think we have to forthrightly deal with that.

Let me just mention a couple of other issues a little closer to home. We're going to have to deal with the conflict between science and economics and social values. Example: the conflict between the United States and Europe over genetically modified seeds and the growing and selling of food; the conflict between Britain and France over the sale of beef.

Listen, this is hot stuff now, but you can see that there's going to be a lot more of this. And we have to find a way to manage this if we're going to be in a global society with a global economy, where there are honest differences and real fears. We have to find a way to manage this that has integrity and that generates trust among ordinary people.

Another problem that I think is quite important is, all of us will have to decide how we're going to cooperate and when we separate in an interdependent world. I think, for example, our Congress did a very good thing to finally pay our U.N. dues and to enable the United States to participate in the global debt relief movement. And I think they made a mistake to defeat the Comprehensive Nuclear-Test-Ban Treaty. But every one of us will have to deal with these kinds of questions, because there will always be domestic pressures operating against responsible interdependence and cooperation.

And finally, I'll mention two other things. I believe that the biggest problems to our security in the 21st century and to this whole modern form of governance will probably come not from rogue states or from people with competing views of the world in governments, but from the enemies of the nation-state, from terrorists

and drugrunners and organized criminals who, I predict, will increasingly work together and increasingly use the same things that are fueling our prosperity: open borders, the Internet, the miniaturization of all sophisticated technology, which will manifest itself in smaller and more powerful and more dangerous weapons. And we have to find ways to cooperate to deal with the enemies of the nation-state if we expect progressive governments to succeed.

The last and most important point of all, I believe, is this. I think the supreme irony of our time, as we talk about a new renaissance—by the way, that would make New York University the successor of de'Medici—[laughter]—I think—consider this: The supreme irony of this time is that we are sitting around talking about finding out the secrets of the black holes in the universe, unlocking the mysteries of the human gene, having unprecedented growth, and dealing with what I consider to be very high-class problems: finding the right balance between unemployment and social justice, dealing with the aging of society. Isn't it interesting to you that, in this most modern of ages, the biggest problem of human societies is the most primitive of all social difficulties: the fear of people who are different from us? That, after all, is what is at the root of what Prime Minister Blair has struggled with in Northern Ireland, at the root of all the problems in the Balkans, at the root of the tribal wars in Africa, at the root of the still unresolved, though hopefully progressing problems in the Middle East.

A few weeks ago, Hillary invited two men to the White House for a conversation about the new millennium. One was one of the founders of the Internet; the other was one of our principal scientists unlocking the mysteries of the human genome. And they talked together. It was fabulous, because these guys said, number one, we would not know anything about the gene if it were not for the computer revolution because we couldn't have done the complex sequencing. And then the scientist said, now that they had done all this complex sequencing, the most stunning conclusion they had drawn is that all human beings were 99.9 percent the same genetically, and that the differences of individuals in any given ethnic group, genetically, were greater than the genetic differences of one ethnic group to another.

So if you had 100 west Africans and 100 Italians and 100 Mexicans and 100 Norwegians,

the differences of the individuals within the groups would be greater than the composite genetic profile differences of one group to another.

Now, this is in an age where 800,000 people were slaughtered by machetes in 90 days in Rwanda a few years ago, when a quarter of a million Bosnians lost their lives and 2½ million more were made refugees.

So that's the last point I would like to make. We need a little humility here. What we really need to be struggling for is not all the answers, but a unifying vision that makes the most of all these wonders and relishes all this diversity which makes life more interesting, but proceeds on the fundamental fact that the most important thing is what it has always been: our common humanity, which imposes on us certain responsibilities about how we live, how we treat others who are less fortunate, how we empower everyone to have a chance to live up to his or her God-given potential.

If you ask me one thing we could do, it would not be all the modern ideas. If I had to leave

tonight and never have another thing to say about public life, I would say if we could find a way to enshrine a reverence for our common humanity, the rest would work out just fine.

Thank you very much.

NOTE: The President spoke at 10:43 p.m. in an outdoor tent at the Villa La Pietra. In his remarks, he referred to Norman Dorsen, professor, and John Sexton, dean, New York University School of Law; Oliva L. Jay, president, New York University; Prime Minister Massimo D'Alema of Italy and his wife, Linda; European Commission President Romano Prodi; Chancellor Gerhard Schröder of Germany; President Fernando Henrique Cardoso of Brazil; Prime Minister Tony Blair of the United Kingdom and his wife, Cherie; Vinton G. Cerf, senior vice president for Internet architecture and technology, MCI WorldCom; and Eric Lander, director, Whitehead Institute/MIT Center for Genome Research.

Remarks at Morning Session One of the Conference on Progressive Governance for the 21st Century in Florence

November 21, 1999

Well, first of all, let me say that I think, Prime Minister D'Alema, the morning session is well named. We are concerned about equality and opportunity in the new economy.

Let us begin with the proposition that the new economy is powered by a revolution in technology, especially in information and telecommunications, and exponentially enhanced by the growing global trade. The new economy does best in a highly entrepreneurial environment where people with new ideas have access to capital and low barriers to establishing a growing business. More than in any previous time of economic expansion, job growth is disproportionately higher in the private, as opposed to the public, sector.

Now the good news is that there is an extraordinary potential for the growth of jobs, businesses, and wealth. We have in the United States been blessed, for example, with a stock market that has more than tripled in the last

7 years. But this is not free of challenges, both within and among nations.

Even though, for example, in our country we have the lowest poverty rate in 20 years and the lowest poverty rate among households headed by single parents, principally women, in over 40 years, we know that there are the following problems with the new economy if you just have a laissez-faire policy.

Number one, the skill gap among people with high levels of education and low levels will lead to even more dramatic income inequality.

Number two, in a highly volatile environment where lots of jobs are being created and lots of jobs are being lost, it requires a special attention to the transition assistance needed to give people the skills and other support they need to move from one job to another.

Number three, there will be people and places that are completely left behind; I mentioned this in my remarks last night. The United States has the lowest unemployment rate we've